

To: Illinois Commerce Commission
Attention: Public Utility Division
527 East Capitol
Springfield, IL 62705

NOW COMES CENTRAL ILLINOIS PUBLIC SERVICE COMPANY d/b/a AMERENCIPS ("CIPS"), and notifies the Illinois Commerce Commission (the "Commission") pursuant to 220 ILCS 5/8-508 of the Public Utilities Act (the "PUA") as follows:

1. On April 9, 2001, CIPS entered into an Agreement, attached hereto as **Exhibit A**, with the City of Bushnell, an Illinois municipal corporation (the "Transfer Agreement") in which CIPS sold poles, conductors, guys, wires, service drops, distribution transformers, cutouts, insulators and other miscellaneous equipment located in and near the City of Bushnell to the City of Bushnell.

2. CIPS is a "public utility" within the meaning of §8-508 of the PUA.

3. The City of Bushnell is a "municipal corporation of this state" within the meaning of §8-508 of the PUA.

4. The City of Bushnell is a "municipality" authorized to own and operate a "public utility" and to "purchase . . . the product or service of any such utility . . ." within the meaning of 65 ILCS 5/11-117-1(1).

5. The Transfer Agreement constitutes "the assignment, transfer, lease or sale, in whole or in part, of any . . . plant, equipment, business or other property to any . . . municipal corporation of this state . . ." within the meaning of §8-508.

6. Pursuant to §8-508, CIPS has an obligation to "notify the Commission of such transaction".

7. The assets being transferred to the City of Bushnell are located inside the city limits ("Territory A") and outside the city limits ("Territory B") as depicted on Exhibit I to the Transfer Agreement.

8. Territory A and Territory B (and all customers situated therein) described on Exhibits I and II to the Transfer Agreement shall be provided electric service by the City of Bushnell.

9. CIPS agrees and acknowledges that it would have a duty to furnish electric service to all present and future Territory A and Territory B customers in the event the City of Bushnell should cease to function as a municipal utility.

10. CIPS agrees to file an Accounting with the Commission upon completion of the transaction.

CENTRAL ILLINOIS PUBLIC SERVICE COMPANY

By: *Theresa M. Cameron*
One of Its Attorneys

Sorling, Northrup, Hanna, Cullen
and Cochran, Ltd.
Scott C. Helmholz, of Counsel
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Springfield, IL 62705
Telephone: (217) 544-1144

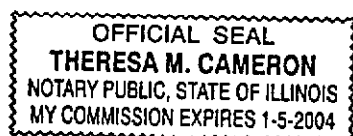
VERIFICATION


I, **JON CARLS**, Rate Administration Supervisor, being first duly sworn, depose and state that I have read the foregoing *Notice of Assignment and Transfer to Municipal Corporation Pursuant to 220 ILCS 5/8-508* filed in the above case and know the content thereof and the same is true to the best of my knowledge, information and belief.



JON CARLS

Subscribed and sworn to before me this 9th day of August, 2001.





Notary Public

**AGREEMENT
FOR PURCHASE AND SALE OF CERTAIN ASSETS
AND ASSIGNMENT OF EASEMENTS,
LEASES AND LICENSES**

CITY OF BUSHNELL, ILLINOIS

and

CENTRAL ILLINOIS PUBLIC SERVICE COMPANY

EXHIBIT
A

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT made and entered as of this *9th* day of *April, 2001*, by and between **CENTRAL ILLINOIS PUBLIC SERVICE COMPANY**, an Illinois corporation ("Seller") and **CITY OF BUSHNELL, ILLINOIS**, an Illinois municipal corporation ("Buyer").

WITNESSETH:

WHEREAS, Seller presently owns and operates an electric distribution system (the "System") serving certain customers in the Territories A and B depicted on the map attached hereto as Exhibit I; and

WHEREAS, Buyer also presently owns and operates an electric distribution system in Territory A and desires to acquire and operate the System and to furnish electric service throughout Territory A and to the customers and premises located in Territory B and listed on Exhibit II in conjunction with its existing operations; and

WHEREAS, Seller must petition the Illinois Commerce Commission (the "Commission") for consent to Seller's abandonment of service to the customers in Territory B; and

WHEREAS, the parties desire to expeditiously effect the provisions of this Agreement as to the customers and the System situated in Territory A; and

WHEREAS, Buyer and Seller have reached an agreement and Seller desires to sell and Buyer desires to purchase the System for said purpose.

NOW, THEREFORE, for and in consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which each party hereby acknowledges, the parties hereto agree as follows:

I. Agreement to Purchase and Sell

Buyer agrees to purchase the System from Seller at the Closings (as hereinafter defined) upon the terms and conditions hereinafter set forth and Seller, upon such terms and conditions, agrees to sell the System to Buyer at the Closings.

II. Description of the System

The System to be purchased by Buyer and sold by Seller shall consist of all the personal property which comprises or forms a part of the electric distribution system owned by Seller, as identified on Exhibit III, together with all additions and improvements thereto between the date hereof and the Closing. Without limiting the generality of the foregoing, it is intended by the parties that the Assets of the System to be purchased by Buyer include:

all service lines, materials, and all other property and appurtenances used in connection with the operation of the System, all customer lists, meter books, maps, surveys, title reports, charts, plans, customer service records, System maintenance records and other records or things of value belonging to or comprising any part of the System or used or useful in connection therewith,, but specifically excluding, however; (a) cash on hand or in banks, (b) evidences of indebtedness or other securities, (c) all income and revenues from the sale and delivery of electric energy in respective territories through the respective Closings (regardless of when billed and collected and or further prescribed in Article VIII herein below), (d) vehicles owned or leased by Seller, (e) stepdown substation transformers and facilities, (f) all 69KV transmission facilities and 12KV distribution facilities except those 12KV distribution facilities presently dedicated to Vaughn-Bushnell Co., and, (g) any statutory or contractual rights or entitlements to furnish electric service in the affected territories.

III. Closings

- A. The closing of the transaction contemplated by this Agreement with regard to Territory A shall take place on *April 9, 2001*, unless the parties mutually agree otherwise (the "Territory A Closing"). The closing of the transaction with regard to customers and facilities situated in Territory B shall take place on the date which is seven (7) days after the Commission enters an Order granting Seller's petition for consent to abandonment, unless the parties mutually agree otherwise (the "Territory B Closing"). Both Closings shall take place at the office of Seller at 1520 West Jackson, Macomb, Illinois.
- B. At the Territory A Closing:
 - (1) Seller will, upon due performance by Buyer of its obligations under the Agreement, deliver to Buyer:
 - (a) such bills of sale, assignments, easements and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance satisfactory to Buyer's counsel, as shall be required or as may be appropriate in order effectively to vest in Buyer all of Seller's right, title and interest in and to all of the Territory A Assets;
 - (b) copies of all of the files, documents, papers, books of account, customer account and service records and other records pertaining to the maintenance of the Territory A Assets as Buyer deems reasonably necessary; and,
 - (2) Buyer will, upon due performance by Seller of its obligations hereunder:

- (a) deliver to Seller a check in payment of the applicable portion of the Purchase Price (as hereinafter defined);
- (b) deliver to Seller an instrument, in form and substance satisfactory to Seller, assuming the obligations of Seller which Buyer agrees to assume; and,
- (c) deliver to Seller the Davis Street and Dean Street easements in form and substance satisfactory to Seller's counsel.

B. At the Territory B Closing:

- (1) Seller will, upon due performance by Buyer of its obligations under the Agreement, deliver to Buyer:
 - (a) such good and sufficient bills of sale, assignments and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance satisfactory to Buyer's counsel, as shall be required or as may be appropriate in order effectively to vest in Buyer all of Seller's right, title and interest in and to all of the Territory B Assets; and,
 - (b) copies of all of the files, documents, papers, books of account, customer account and service records and other records pertaining to the maintenance of the Territory B Assets.
- (2) Buyer will, upon due performance by Seller of its obligations hereunder:
 - (a) deliver to Seller a check in payment of the applicable portion of the Purchase Price (as hereinafter defined); and,
 - (b) deliver to Seller an instrument, in form and substance satisfactory to Seller, assuming the obligations of Seller which Buyer agrees to assume.

C. During the interim period between the Territory A Closing and the Territory B Closing, Seller shall continue to provide service to those customers situated in Territory B, and shall remain the owner of the Territory B Assets and all billing and account collection responsibilities. During this interim period, Seller and Buyer shall cooperate with respect to Seller obtaining electricity from Buyer through the present Power Supply Agreement between Ameren Energy Marketing, Inc. and the Illinois Municipal Electric Agency, as such may be amended, supplemented or modified in the future.

- D. In the event the Commission denies Seller's petition to abandon service as to some, but not all, of the customers situated in Territory B, Seller may, at its sole option: (1) declare this Agreement terminated as to Territory B, or, (2) modify this Agreement so as to sell and convey to Buyer only those Assets associated with the customers as to whom the Commission authorizes abandonment or to whom Seller otherwise elects to continue serving. In the event Seller elects option (2), the parties agree to proportionately reduce that portion of the Purchase Price attributable to the Territory B Assets retained by Seller. In the event Seller retains the right or obligation to furnish electric service to any of the territory B customers as a result of exercising either Option (1) or (2) provided herein, Buyer agrees thereafter to cooperate in providing delivery to Seller of electric power necessary for Seller to furnish service in Territory B upon terms and conditions mutually agreeable to the parties.

IV. Purchase Price: The purchase price shall be One hundred Forty-Seven Thousand Dollars (\$147,700.00) payable in cash at the Territory A Closing and Two Thousand Three Hundred Dollars (\$2,300.00) payable in cash at the Territory B Closing (collectively the aggregate amount of One Hundred Fifty Thousand Dollars (\$150,000.00) shall be referred to as the "Purchase Price").

V. Representations, Warranties and Covenants of Seller

Seller represents, warrants and covenants that:

- (1) Seller is and at the Closing will be a public utility duly organized and existing and in good standing under the laws of the State of Illinois.
- (2) prior to the Closing, Seller will take all necessary action to authorize the execution, delivery and performance on its part of this Agreement, and the performance hereof by it will not be in contravention of the laws of the State of Illinois. Seller will adopt all corporate resolutions necessary to authorize sale of the System including the interests in real estate to be transferred to Buyer.
- (3) prior to the Closing, Seller will operate and maintain the System as a going concern, making such repairs and replacements as may be necessary in the usual and regular course of business, and Seller will not sell or otherwise dispose of any part of the System except such part or parts as may be retired from service in the ordinary course of business.
- (4) Buyer or Buyer's representatives shall be permitted to enter upon and/or inspect any and all of the Assets at all reasonable times for the purpose of making surveys and other inspections. Seller shall provide Buyer, at Buyer's expense, with true copies of all documents pertaining to this transaction reasonably requested by Buyer.
- (5) there are not pending or threatened actions at law or suits in equity of any nature

involving the Assets and Seller will indemnify and hold Buyer harmless for any and all claims, suits or causes of action of any type or kind whatsoever, asserted after the closings but arising out of Seller's ownership or operation of the System prior to the closings.

- (6) Seller has, and at the Closing will have, all necessary permits, franchises, licenses and easements (including sufficient rights to access) for the System and in the Area; the plant and equipment of Seller have been installed within the easements relating thereto or upon properties owned by Seller and in accordance with any necessary permits or licenses.
- (7) the performance of the transactions contemplated by this Agreement by Seller will not be in contravention of its charter or the laws of the State of Illinois or any contract or agreement to which Seller is a party or subject;
- (8) the Agreement will be a legal and binding obligation of Seller, enforceable in accordance with its terms;
- (9) the Assets transferred to Buyer are being sold by Seller "AS IS" and "WHERE AT" without any representation or warranty, express or implied, including, without limitation, any warranty of fitness for a particular purpose; and,
- (10) Seller agrees to assist Buyer for the two-year period after a Closing in the proper disposal of any transformer conveyed to Buyer by this Agreement found to have more than fifty parts per millions (50 ppm) PCB contamination. Seller's assistance shall consist of, and be limited to, arranging for the pickup and disposal of any such transformer identified by Buyer. Seller may, at its sole option, perform its duties hereunder by collecting all affected transformers on the last day of the two-year period, but will make a good faith effort to collect said transformers sooner if Seller can make arrangements to do so in harmony with its system-wide transformer disposal schedules. Seller's agreement to assist Buyer in the proper disposal of the transformers, as herein described, constitutes Seller's sole obligation with respect to said transformers after Closing, and Buyer hereby expressly affirms that, consistent with Buyer's ownership interest, Buyer will assume complete responsibility for the operation, maintenance, transportation and storage of said transformers prior to collection by Seller or Seller's contractor.

VI. Representations, Warranties and Covenants of Buyer:

Buyer represents, warrants and covenants that:

- (1) Buyer is and at the Closings will be an Illinois municipal corporation duly organized and existing and in good standing under the laws of the State of Illinois;
- (2) prior to the Closings, Buyer will take all necessary action to authorize the execution, delivery and performance on its part of this Agreement, and the performance hereof

by it will not be in contravention of the laws of the State of Illinois. Buyer will adopt all ordinances necessary to authorize the purchase and payment for Assets, including the right-of-ways to be transferred to Buyer;

- (3) the performance of the transactions contemplated by this Agreement by Buyer will not be in contravention of its charter or the laws of the State of Illinois or any contract or agreement to which Buyer is a party or subject;
- (4) the Agreement will be a legal and binding obligation of Buyer under the Illinois Municipal Code, other applicable state laws and Buyer's own Ordinances, enforceable in accordance with its terms;
- (5) Buyer represents and warrants to Seller that Buyer has established or will establish a rate for electric service in Territory B which is no greater than the rates currently in effect as charged by Seller and that Buyer will maintain such rates until at least December 31, 2005;
- (6) Buyer will indemnify and hold Seller harmless for any and all claims, suits, or causes of action of any type or kind whatsoever, arising out of Buyer's ownership or operation of the system after closing;
- (7) Buyer will continue to furnish all electric service requirements and facilities necessary therefor, for so long as Buyer shall continue to own or operate an electric distribution system, to all customers now or hereafter existing on the premises presently served by Seller in the affected territories and who will be served by Buyer by virtue of this Agreement and/or the proposed abandonment of service by Seller. In the event any customer identified on Exhibit II, or any successor or assign of such customer, requests new or supplemental electric service with a potential demand of at least 500 kilowatts within the Territory B, Seller reserves the right to furnish such new or supplemental electric service, and Buyer shall use its best efforts to promptly notify Seller of the existence of such request; and,
- (8) In recognition that the sale of its facilities to Buyer may in the future hinder Seller's ability to interconnect those remaining portions of its electric transmission and distribution system in the vicinity of the City of Bushnell, Buyer represents and warrants that it will not unreasonably withhold its consent to Seller's request to purchase such right-of-ways or easements as Seller may deem necessary to serve area customers in the future.

VII. Risk of Loss

If, prior to the Closings, any material part of the respective Assets or System shall be damaged, destroyed or substantially adversely affected by storm, fire, flood, explosion, act of God, or other cause, Seller shall effect such repairs as are necessary to restore the Assets or System to their existing "AS IS" condition. In the event Seller incurs costs exceeding Five

Thousand Dollars (\$5,000.00) in effecting said repairs, and Seller's efforts enhance or increase the value of the Assets or System, Seller shall be entitled to an upward adjustment in the Purchase Price in an amount equal to Seller's actual costs in excess of Five Thousand Dollars (\$5,000.00), but in any event, not to exceed Twenty Five Thousand Dollars (\$25,000.00). In the event that the estimated cost of any repairs necessary to restore reasonable service levels exceeds Twenty Five Thousand Dollars (\$25,000.00), Seller will promptly notify Buyer's Mayor or Superintendent of Utilities and seek Buyer's advance agreement to adjust the Purchase Price upward to reflect Seller's actual costs. In the event that the parties cannot agree on the amount of an upward adjustment in the Purchase Price, either party shall have the right to terminate the Agreement.

VIII. Regulatory Approvals

All obligations of Seller regarding customers situated in Territory B are subject to the approval of Seller's petition for abandonment by the Illinois Commerce Commission (ICC). The approval must be consistent with the terms of this Agreement and Seller reserves the right to insist that the regulatory order be final and non-appealable.

IX. Seller's Service Accounts/Interim Service

All accounts receivable of Seller for unpaid bills rendered prior to the Closing shall remain the property of Seller. As near as possible to the Closing but not later than seven (7) business days after the Closing, Seller shall read and remove all customer meters and shall bill all customers for amounts due Seller. Buyer shall install its own meter and begin furnishing electric power to all affected customers as soon as practicable after removal of Seller's meter. During any interim period after Closing, but prior to Buyer's commencement of delivery of service, Seller shall continue to furnish electric power to all affected customers. Seller shall be solely responsible for collecting amounts due and Buyer shall have no liability to Seller for amounts not collected.

X. Conditions to Seller's Obligations

All obligations of the Seller under this Agreement are subject to the performance by Buyer of its obligations to be performed hereunder at or prior to the Closings, to the continued accuracy in all material respects of the representations and warranties of Buyer contained in this Agreement and Buyer shall have delivered to Seller all documents, assurances or authorizations specified herein.

XI. Conditions to Buyer's Obligations

All obligations of the Buyer under this Agreement are subject to the performance by Seller of its obligations to be performed hereunder at or prior to the Closings, to the continued accuracy in all material respects of the representations and warranties of Seller contained in this Agreement and Seller shall have delivered to Buyer copies of all blueprints, plans, engineers' reports, surveys, plats, property records and other information in possession of

Seller which would aid Buyer in operation of the Assets.

XII. Additional Documents

If at any time after the Closing it shall appear that additional bills of sale, assignments or other papers are reasonably necessary to complete or perfect the transfer of any part of the System to the Buyer, Seller agrees to execute such additional bills of sale, assignments or other papers upon the written request of Buyer.

XIII. Nature and Survival of Representations and Warranties; Indemnification

- A. All statements contained in any certificate or other instrument furnished or to be furnished by or on behalf of the parties hereto pursuant to this Agreement or in connection with the transactions contemplated herein, shall be deemed their respective representations and warranties. All representations and warranties, whether in this Agreement or in any such certificate or other instrument, shall survive the Closing and consummation of the transactions contemplated herein.
- B. Buyer shall indemnify, defend and hold harmless Seller in respect of all losses, damages, claims, liabilities, costs or expenses accruing or resulting from any misrepresentation, breach or failure of any representation, warranty, or covenant of Buyer under this Agreement or from any misrepresentation in or material omission from any certificate or other document furnished or to be furnished to Seller by Buyer.
- C. Seller shall indemnify, defend and hold harmless Buyer in respect of all losses, damages, claims, liabilities, costs or expenses accruing or resulting from any misrepresentation, breach or failure of any representation, warranty or covenant of Seller under this Agreement or from any misrepresentation in or material omission from any certificate or other document furnished or to be furnished to Buyer by Seller.
- D. If any claim be made or suit brought against a party for injury, loss, damage, compensation or any other right, demand, or claim under this Agreement for which such party may be entitled to indemnification hereunder, such party shall promptly notify the party from whom indemnification may be sought and shall keep such party informed in a timely manner as to all developments with respect thereto.

XIV. Waivers

Buyer may extend the time for or waive the performance of any of the obligations of Seller or waive any inaccuracies in the representations or warranties or in the agreements of, or conditions applicable to Seller contained in this Agreement. Seller may take similar action with respect to the obligations, representations, warranties or agreements of, or conditions applicable to Buyer under this Agreement. Any such waiver shall be in writing and signed

by an authorized officer of Buyer or by an authorized officer of Seller, as the case may be.

XV. General

A. Successors and Assigns:

This Agreement shall be binding upon and inure to the benefit of the respective successors and permitted assigns of the parties to this Agreement.

B. Notices:

All notices, requests, demands and other communications hereunder shall be in writing, and shall be deemed to have been duly given if delivered or mailed, first class postage prepaid,:

To Seller at: 607 East Adams Street
Attn: Regulatory Department
Springfield, Illinois 62739

To Buyer at: Office of the City Clerk
138 Hail Street
Bushnell, IL 61422

or at such other address as either party may have furnished to the other party in writing.

C. Entire Agreement of Parties:

This Agreement constitutes the entire agreement of Buyer and Seller with respect to the subject matter hereof, superseding all negotiations, prior discussions and any preliminary agreements. This Agreement cannot be changed except by written agreement executed by the parties hereto.

D. Law of Illinois to Govern:

This Agreement shall be governed as to its interpretation and construction by the laws of the State of Illinois.

E. Exhibits and Schedules:

The Exhibits attached hereto and the other documents to be delivered pursuant hereto are hereby made a part of this Agreement as if set forth in full herein.

F. Expenses:

Whether or not the transactions contemplated herein are consummated, each party

shall pay its own expenses and costs incurred in negotiating, preparing, closing and carrying out the Agreement and the transactions contemplated herein.

IN WITNESS WHEREOF, Seller has caused this Agreement to be executed in its corporate name by one of its officers, thereunto duly authorized, and Buyer has executed this Agreement as of the day and year first above written.

**CENTRAL ILLINOIS PUBLIC SERVICE
COMPANY**

By: H. W. Moorman
Its: Vice President

Attest: J. A. Lisakow
Asst. Secretary

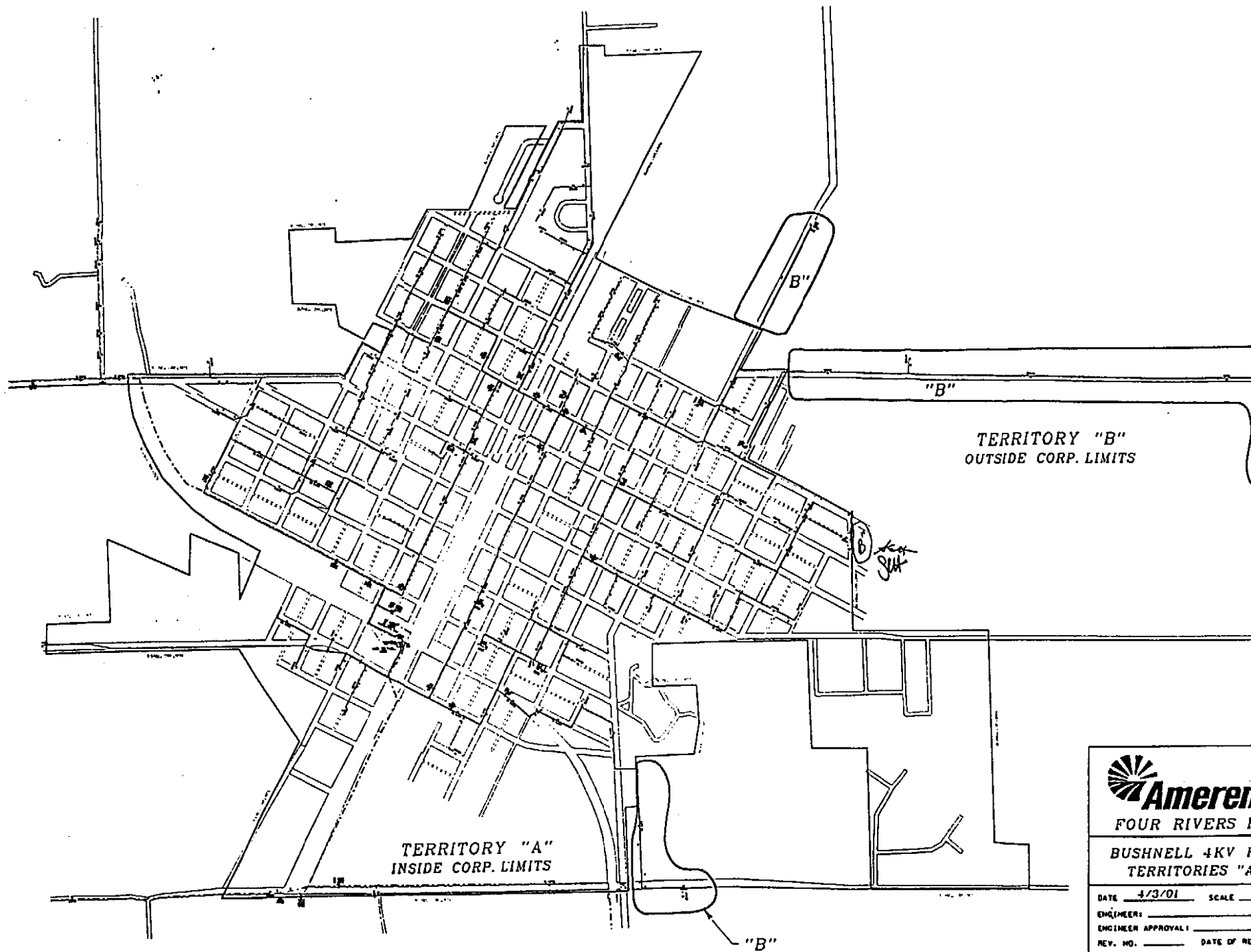
CITY OF BUSHNELL, ILLINOIS

By: Jack Permisson
Mayor

Attest: Barbara J. Pratt
City Clerk

1988

EXHIBIT I
(map)



FOUR RIVERS F

BUSHNELL 4KV F
TERRITORIES "A"

DATE 4/3/01 SCALE

ENGINEER:

ENGINEER APPROVAL:

REV. NO. DATE OF RE

WORK DESCRIPTION

EXHIBIT II - Territory B Customers/Premises

Service Address	Mailing Address	Meter Number
McDonough FS, Inc. 1100 N. Cole St. Bushnell, IL 61422 Acct # 187300331	P.O. Box 445 Macomb, IL 61455	97224843
Larry McLouth 21650 N. 1900* Rd. Bushnell, IL 61455 Acct # 17-230-810-2920-8-01	21680 N. 1900th Rd. Bushnell, IL 61422	56554409
Luther Klinedinst 21675 N. 1900* Rd. Bushnell, IL 61422 Acct # 477300371	497 Walnut St. Bushnell, IL 61422	96721562
Larry A. McLouth 21680 N. 1900* Rd. Bushnell, IL 61422 Acct # 17-230-810-4735-1-01	21680 N. 1900* Rd. Bushnell, IL 61422	19303649
Evelyn Kreider 22070 N. 1900* Rd. Bushnell, IL 61422 Acct # 17-230-810-4745-1-01	22070 N. 1900* Rd. Bushnell, IL 61422	63856520
Steve Kreider 22075 N. 1900* Rd. Bushnell, IL 61422 Acct# 17-230-810-4755-1-01	22075 N. 1900* Rd. Bushnell, IL 61422	81161682
Vacant 22460 N. 1900* Rd. Bushnell, IL 61422 Acct#17-230-810-4775-2-01		23216685
T L Webb 22460 N. 1900* Rd. Bushnell, IL 61422 Acct#17-230-810-4785-1-01	22460 N. 1900* Rd. Bushnell, IL 61422	57694334
Greg Pensinger 22 Murphy Rd. Bushnell, IL 61422 Acct#17-230-810-4795-2-01	22 Murphy Rd. Bushnell, IL 61422	61037490
Paul Murphy 21 Murphy Rd. Bushnell, IL 61422 Acct# 17-230-810-4805-1-01	21 Murphy Rd. Bushnell, IL 61422	16032894
Gene McGrew 907 E. Twyman St. Bushnell, IL 61422 Acct# 17-230-810-3460-2-01	907 E. Twyman St.	32432896

EXHIBIT III

Assets

Territory A Assets

All poles, conductors, guys, wires, service drops, distribution transformers, cutouts, insulators and miscellaneous distribution plant.

Territory B Assets

All poles, conductors, guys, wires, service drops, distribution transformers, cutouts, insulators and miscellaneous distribution plant.